GEOKINETICS INC. shale oil development and production 391 Chipeta Way D-2 Salt Lake City, Utah 84108 telephone (801) 583-0511 July 15, 1982 Mr. John Hill P.O. Box 40 Rangeley, Colorado 86148 REFERENCE: Utah State Lease for Oil Shale Issued to Geokinetics Inc. - Mineral Lease No. 37138: T12S, R24E, SLM, Section 36: All Dear Mr. Hill: We have been advised that you are the owner of the surface rights on the above referenced section on which Geokinetics Inc. has a Utah State Mineral Lease No. 37138 for oil shale. In accordance with appropriate state regulations, we are writing to advise you of our intent to initiate preliminary steps toward the development of the oil shale reserves on these lands, as well as those on Utah State Lands T13S, R24E, SLM, Section 2, immediately to the southwest of your property. The work to be done in the immediate future will consist of erecting a 100 foot meteorological tower on Section 2 and drilling of approximately ten core holes for further evaluation of the oil shale reserves on both sections. All access to the core hole sites and the meteorological tower site will be via existing unimproved roads or jeep trails.

We will post a bond with the Utah Division of State Lands within the next few days in accordance with appropriate state laws and regulations.

If you should have any questions concerning our planned activities on these lands, please contact me at the above telephone number or Jim Lekas, our Project Manager at Kamp Kerogen, telephone (801) 353-4343.

Thank you for your cooperation.

Very truly yours,

Warren K. McOmber Vice President

WKM/mw

cc: John T. Blake

Division of State Lands & Forestry State of Utah Department of Natural Resources & Energy